

# MIRA LAS OLAS

## TOWNHOMES



Affordable Housing Units  
Buyer Information and Lottery Application Packet



Vista Oceano La Mesa Venture, LLC and the City of Santa Barbara are pleased to announce Mira Las Olas Townhomes and the availability of seven affordable condominiums for purchase by residents who qualify under the City's Affordable Housing Program Policies. The City of Santa Barbara will administer a lottery to determine a priority list of potential buyers for the two units.

These units are restricted to "middle-income" purchasers. Area Median Income is established by HUD. Income limits are as follow:

One-person household: \$82,100  
Two-person household: \$93,850  
Three-person household: \$105,100

Four-person household: \$117,300  
Five-person household: \$126,700



If the combined annual gross income of all adults in the household is more than the limits shown above, the applicant does not qualify to enter the lottery. Household is defined as "all those persons – related or unrelated – who occupy a single housing unit".

#### **ABOUT THE AFFORDABLE CONDOMINIUMS**

Vista Oceano La Mesa Venture, LLC is finalizing the construction of seven price and income restricted condominiums for purchase by middle-income buyers as part of the 14-unit Mira Las Olas Townhomes. The units should be available for occupancy in May-June 2012.

- All seven units are priced at \$298,000.

#### **CONDOMINIUM DESCRIPTION**

- Each two-level townhouse consists of approximately 1,100 interior square feet with additional patio and balcony square footage.
- 2 bedroom/2.5 bathroom floorplan.
- Santa Barbara style architecture with exterior features including but limited to: Spanish red tile roofs, arched entries, and handcrafted iron works.
- Attached 2-car garage.

The seven affordable units are subject to requirements outlined in the Affordability Control Covenant; "Grant of Preemptive Right: Affordability Covenant and Option to Purchase". This forty-five (45) year Affordability Control Covenant restricts the sales prices of the homes, the maximum income levels of the families purchasing the units, clarifies participant-owner's responsibilities, does not allow for ownership of other property, and requires that the owner occupy the property. The Grant of Preemptive Right gives the City the first right of refusal to purchase the unit when it is offered for sale. An example of the document may be viewed at [www.santabarbaraca.gov](http://www.santabarbaraca.gov) **Please read it carefully.**

These homes, along with all homes in the project, are subject to the rules and regulations of the homeowner's association as declared in the CC&R's (Covenants, Conditions, and Restrictions), Bylaws, Articles of Incorporation, Budget, and other related association documents. A copy of the CC&R's may be viewed at [www.miralasolas.com](http://www.miralasolas.com). The monthly dues for the homeowner's association are currently estimated at \$400 per month and are subject to change.

## CAN YOU AFFORD TO BUY ONE OF THESE UNITS?

### MIRA LAS OLAS

EXAMPLE ONLY!

One-person household: <\$82,100 Four-person household: <\$117,300

Two-person household: <\$93,850 Five-person household: <\$126,700

Three-person household: <\$105,100

		MAXIMUM PRICE		7-TWO BEDROOM UNITS					
		\$298,000						HOUSING	ESTIMATED
						estimate	COST	MINIMUM	
DOWN	LOAN	30 yr PMT AT	TAXES	HOA /	PER				
PAYMENT	AMOUNT	4.0% Interest Fixed	/month	INS	MONTH			ANNUAL	
								INCOME	
min 5%	\$14,900	\$283,100	\$	1,351.08	\$310.42	\$ 700.00	\$2,361.50	\$63,744.00	
10%	\$29,800	\$268,200	\$	1,280.42	\$310.42	\$ 600.00	\$2,190.84	\$61,725.00	
20%	\$59,600	\$238,400	\$	1,138.15	\$310.42	\$ 400.00	\$1,848.57	\$56,857.00	
max 40%	\$119,200	\$178,800	\$	853.61	\$310.42	\$ 400.00	\$1,564.03	\$49,320.00	

### STEPS TO APPLY FOR THE LOTTERY

Applications are available at Mira Las Olas sales office (1424 Santa Fe Lane) **BEGINNING MARCH 8, 2012** and will take place every Thursday and Friday from 3:00 p.m. to 6:00 p.m. and Saturday from 11 a.m. to 2 p.m. until the application deadline. In addition, they may be downloaded at [www.miralasolas.com](http://www.miralasolas.com).

Completed applications must be **HAND DELIVERED DURING OFFICE HOURS ONLY** to Mira Las Olas (1424 Santa Fe Lane).

- Applicant **must** obtain a receipt from Mira Las Olas staff to document delivery of the application.
- **DO NOT MAIL OR EMAIL APPLICATIONS – THEY WILL NOT BE ACCEPTED!!!!**

**The deadline to submit a lottery application is**

**Saturday, March 31<sup>st</sup> at 2:00 p.m.**

**Incomplete, mailed, emailed or late applications will not be accepted**

**Only one application per household will be accepted**

*A "household" is all persons – related or unrelated – who occupy a single housing unit full-time.*

## **THE PROCESS**

### **1. Determine Eligibility**

In order to be eligible to purchase an affordable home, the City must certify that the applicant meets certain criteria including, but not limited to, the following:

- Only applicants who currently live and/or work in the South coast area of Santa Barbara County (from Gaviota to the Ventura County line) may enter the lottery.
- The applicant's combined household income must not exceed the allowable household income (see above). The City will include income from all adult household members in calculating total household income. Household is defined as "all those persons – related or unrelated – who occupy a single housing unit".
- Applicant's monthly income shall be sufficient so that at least 28% but not more than 40% of that income will be used to pay for monthly housing expenses, including loan payments, MIP, homeowner's association fees/insurance, and property taxes. Buyers are required to provide a down payment of at least five percent (5%) of the purchase price and have "good" credit (typically a FICO score of at least 620). For adjustable rate mortgages, the mortgage loan payment shall be based on the fully indexed interest rate rather than an introductory or "teaser" rate.
- Income from taxable assets (actual or computed) is included in the computation of annual income.
- A monetary gift (if applicable) must NOT exceed 20% of the purchase price and must be accompanied by a "gift letter" indicating that the gift is not expected to be repaid.
- Applicants must have the right to permanently reside in the United States.
- Applicants must agree to reside full-time in the home they purchase and cannot own any other residential real estate at time of application or at any time during their ownership.
- An applicant's total equity in residential real estate held at any time during the two years prior to purchase of an affordable unit shall not exceed fifty percent (50%) of the purchase price of the affordable unit.
- The maximum down payment cannot exceed 40%.

Applicants must demonstrate that they have sufficient funds available to pay the required down payment and other costs associated with purchasing the home.

### **2. Financial Pre-Qualification**

Applicants are encouraged to be prequalified by an institutional lender prior to the lottery. The City requires a minimum down payment of five-percent (5%); realistically, applicants should anticipate a down payment of twenty (20%).

### **3. Complete the Lottery Application, HAND DELIVER DURING OFFICE HOURS to Mira Las Olas (1424 Santa Fe Lane). Applicant must obtain a numbered/signed receipt as proof of delivery.**

### **4. Make sure application is accepted and eligible for the lottery.**

Completed Lottery Applications HAND DELIVERED on or before the deadline will be submitted to Santa Barbara Housing and Redevelopment Department. City housing staff will screen the applications to determine basic eligibility for the lottery. **It is recommended that applications be turned in early!** As soon as possible after the application deadline, the names of lottery participants will be posted at the City offices at 630 Garden Street (2<sup>nd</sup> Floor) for ten days. This is an opportunity for applicants to confirm their inclusion in the lottery. The City reserves the right to delay posting the list, if necessary, due to volume of applicants.

### **5. Lottery**

As soon as possible after the ten business day posting period, the City of Santa Barbara will administer a lottery to determine a priority list of potential buyers for the affordable units. As applicant names are drawn,

they will be numbered sequentially. Should the first chosen applicant not fully qualify (See Below), the applicant next drawn becomes eligible to go through the full qualification process. This process continues until there are qualified purchasers for each of the affordable units.

## **6. Full Qualification by City**

Once the lottery has been completed, and *prior to* a Purchase and Sale Agreement being executed, applicants, in order of priority, will be required to submit within two weeks additional detailed income documentation to the City for analysis. Time frame to submit documents may be extended for good cause. All information provided to the City is subject to third-party verification. Income certifications are valid for a 90-day time period. If an applicant has not purchased a home within this time period, updated financial records will be required. The applicant is required to submit all of his/her documentation to a lender for loan approval while the city is reviewing all other documents. An approved list of local lenders will be made available at the Mira Las Olas sales office during designated office hours.

After full approval by the City, applicants (in order of priority) are required to meet with **Mira Las Olas** staff, select their unit and complete the Purchase Agreement and Joint Escrow Instructions along with all related documents and disclosures. Buyers must close escrow within thirty to forty-five (30-45) days of execution of the Purchase Contract and Joint Escrow Instructions, subject to unit completion. If the Buyer fails to close escrow within thirty to forty-five (30-45) days, and Owner is in a position to close, the Owner reserves the right to offer the home to the next City-qualified applicant.

## **HOUSEHOLD SIZE**

Generally, the maximum occupancy limit is equal to twice the number of bedrooms in the home plus one person. A "household" is all persons – related or unrelated – who occupy a single housing unit full-time.

## **ADDITIONAL INFORMATION**

1. Representatives of Vista Oceano La Mesa Venture, LLC ("Developer") and the City of Santa Barbara ("City") shall not restrict applicants on the basis of race or color, national origin, source of income, sexual orientation, HIV status, religion, gender, familial status or handicap.
2. Developer/Mira Las Olas staff will provide a dated receipt to each applicant who HAND DELIVERS a completed application. City will require additional information from chosen applicants after conducting the lottery.
3. The City reserves the right to delay the lottery, if necessary, due to volume of applicants.
4. All names in the lottery will be drawn and assigned a lottery number.
5. City will refer approved applicants to Developer/Mira Las Olas staff to choose a home, execute purchase contract/documentation, open escrow and secure final loan approval. City will participate in the escrow process, approve and supply required documentation. Prior to the close of escrow, City will compare the Buyer's Application and submitted financial documentation with final loan documents for consistency. Escrow instructions shall require City's final approval of escrow, loan and settlement documents

## **INDEMNITY CLAUSE**

Applicant agrees to indemnify and hold harmless Seller or its agents, brokers, specifically Spectra America Corp. and its agents and broker associates, officers and employees of and from any and all claims, demands, losses, causes of action, damage, lawsuits, judgments, including attorneys' fees and costs, arising out of or relating to the Sales of Mira Las Olas by the Seller or its agents, brokers, specifically Spectra America Corp. and its agents and broker associates, officers and employees.

## EQUAL HOUSING OPPORTUNITY

Vista Oceano La Mesa Venture, LLC and the Santa Barbara City will make reasonable accommodations in rules, policies, practices or services at the request of persons with disabilities when these accommodations are reasonable and necessary to give disabled persons equal opportunity to apply for an affordable home. If applicant requires such accommodations due to a disability, please submit a request in writing at the time application is submitted describing the accommodation request and the reasons for it. Please also include a signed physician statement verifying the need for the accommodation requested.

Vista Oceano La Mesa Venture, LLC and the City of Santa Barbara are committed to providing equal housing opportunity for all people regardless of race, color, gender, religion, national origin, familial status, or disability. If applicant believe applicant have been a victim of discrimination, contact the U.S. Dept. of Housing and Urban Development's Fair Housing Hotline (800-669-9777).



## FOR MORE INFORMATION

### Mira Las Olas Staff:

Chris Prather  
[chris@spectraamerica.com](mailto:chris@spectraamerica.com)  
(805) 722-2205  
DRE #01704686

Kirby Ram  
[kirby@spectraamerica.com](mailto:kirby@spectraamerica.com)  
(805) 722-2202  
DRE #01890071

### Homeowner's Association Information:

Coming Soon

### City of Santa Barbara Housing Programs Staff:

David Rowell  
[drowell@santabarbaraca.gov](mailto:drowell@santabarbaraca.gov)  
(805) 564-5461x4578



**INCOME***Please Print Clearly*

<i>Type of Income</i>	<i>APPLICANT Monthly Amount</i>	<i>CO-APPLICANT Monthly Amount</i>
Salary		
Alimony/Child Support		
Rental Income		
Social Security / Pension		
Self-employment Income		
Other		

**DEBT***Please Print Clearly*

*Please list any debts you have, including credit cards, auto loans, student loans, and child-care expenses. Do NOT include rent or utilities.*

<i>Paid To</i>	<i>Current Balance</i>	<i>Monthly Payment</i>
1.		
2.		
3.		

*Please use additional sheets if necessary.*

**ASSETS/SAVINGS/INVESTMENTS***Please Print Clearly*

*Please list the approximate value of the following:*

	<i>APPLICANT</i>	<i>CO-APPLICANT</i>
Checking account		
Savings account		
Auto		
Certificates of Deposit / Securities		
Retirement account		
Other Assets		

**AUTHORIZATION/CERTIFICATION**

The undersigned certifies and declares under penalty of perjury that information provided herein is true and complete. All information entered on this application will be verified prior to a housing award being granted to confirm compliance with the City's affordable housing policies. Verification of income, residency, loan and assets will be determined through a subsequent formal qualification process including, but not limited to, tax returns, bank accounts, earnings statements, residence and employment history, and title searches. Any discrepancies or misrepresentations will be cause for rejection of application and will constitute a default under the City's affordability policies, even if discovered after a purchase has been completed. In connection with this application for housing, the City may procure a screening report from LexisNexis Screening Solutions as part of the process of qualifying candidate for housing award. Consent is granted by applicant to procure such report. In the event that information from the report is utilized in whole or in part in making an adverse decision, applicant will be provided a copy of the report and a description in writing of applicant's rights under the federal Fair Credit Reporting Act.

By signing below, consent is granted to the City to use and verify all information provided herein or subsequently submitted by applicant. Information contained herein will not be disclosed outside the Agency except as required and permitted by law. The undersigned further certifies and acknowledges the following:

- I have read the Affordable Housing Covenant "Grant of Preemptive Right: Resale Restriction Covenant and Option To Purchase" (GPR) at [www.santabarbaraca.gov](http://www.santabarbaraca.gov)
- I do not own or have an ownership interest in any residential real estate.
- I will provide all necessary income, loan, residency, and other information required to complete the qualification process within two (2) weeks of notice of lottery selection.
- Applicant agrees to indemnify and hold harmless Seller or its agents, brokers, specifically Spectra America Corp. and its agents and broker associates, officers and employees of and from any and all claims, demands, losses, causes of action, damage, lawsuits, judgments, including attorneys' fees and costs, arising out of or relating to the Sales of Mira Las Olas by the Seller or its agents, brokers, specifically Spectra America Corp. and its agents and broker associates, officers and employees.
- Each adult (over 18) member of my household has provided employment/financial information and signed below

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant

\_\_\_\_\_  
Date

Hand-deliver completed application to: Mira Las Olas sales office -1424 Santa Fe Lane. Office Hours starting March 8, 2012: Thursday and Friday from 3PM-6PM and Saturday from 11AM-2PM. DEADLINE to submit application – Saturday, March 31<sup>st</sup>, 2012